

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

**SECURITIES and EXCHANGE
COMMISSION,**

Plaintiff,

v.

**ARISE BANK, JARED RICE, SR., and
STANLEY FORD,**

Defendants.

Case No. 3:18-cv-0186-M

ACCOUNTING AFFIDAVIT OF DEFENDANT JARED RICE, SR.

I, Jared Rice Sr., do swear and affirm under penalty of perjury the following is true and correct:

ACCOUNTING ITEM (a):

[A]ll investor monies, assets, digital currencies, virtual currencies, cryptocurrencies, securities, and other benefits received by each, directly and indirectly, as a result of the activities alleged in the SEC's Complaint and the underlying motion and brief.

RESPONSE TO ACCOUNTING ITEM (a):

To the best of my knowledge, in the limited amount of time I have had to put together an accounting, my response is reflected in exhibits A-G.^{1 2} Additionally,

¹ These numbers does not include commitments to purchase AriseCoin that had not yet been received by Arise Bank.

² The exhibits have been redacted to remove the cryptocurrency wallet addresses.

in regard to cryptocurrency that went out of the accounts, to the best of my memory, the only amounts of cryptocurrency that went out of the accounts are as follows: 1) The various Coinbase incoming wires shown on exhibit A which represent Ethereum that was exchanged for United States dollars and then wired to the AriseBank account; 2) A small amount of Bitcoin, in the ten (10) to thirty (30) United States Dollar range that were used to purchase a shift card; 3) PIVX sent to Richard Smith that, at the time it was sent, was worth approximately Two Million One Hundred Thousand (2,100,000) United States Dollars; 4) Approximately fifteen (15) thousand United States Dollars worth of Ethereum paid out to a PR company to promote AriseBank; 5) Approximately ten (10) thousand United States Dollars worth of Ethereum paid to a company to line up endorsements for AriseBank; 6) Approximately thirty (30) thousand United States Dollars worth of Bitshares or BitUSD sent to Tony Peacock for marketing services; 7) Approximately seven (7) thousand United States Dollars worth of Ethereum paid out in salary to Quin Griffin; and 8) Approximately three (3) thousand United States Dollars worth of Ethereum paid out in salary to Evgeni Grinberg.

ACCOUNTING ITEM (b):

[A]ll assets (tangible and intangible) wherever they may be located and by whomever they may be held.

RESPONSE TO ACCOUNTING ITEM (b):

To the best of my recollection, my assets are as follows: Personal clothes, one

(1) Apple watch, hundreds of different software programs, four (4) Apple computers, five (5) or six (6) televisions, six (6) or seven (7) iPhones, other miscellaneous electronics and office equipment, leases for two offices on the seventeenth (17th) floor of 1910 Pacific Avenue, Dallas, TX 75201. All of the forgoing items are in the possession of the receiver except for my personal clothes.

ACCOUNTING ITEM (c):

[A]ll accounts, virtual currency accounts, and virtual currency wallets held during the period from January 1, 2017 through the date of the accounting.

RESPONSE TO ACCOUNTING ITEM (c):

I do not have this information. To the best of my recollection, this information is located on, or accessible with login information found in several different places: 1) My Gmail account; 2) The computers in the possession of the receiver; and 3) The iPhones in the possession of the receiver. I have not yet had sufficient time and opportunity to go through those items in the possession of the receiver in order to provide the requested listing of accounts and wallets. Furthermore, I believe there are additional wallets located inside of servers that I do not have access to.

In addition to the current Bank of America account in the possession of the receiver, I previously had other bank accounts at Bank of America which were closed at the time of the seizure. I have not yet been able to locate those records. To my knowledge those accounts contained no money.

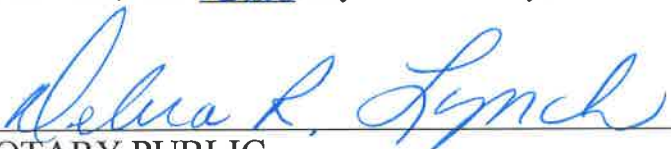
I also have a Barclays Bank savings account that is either closed or has

approximately twenty five (25) to fifty (50) dollars in it.

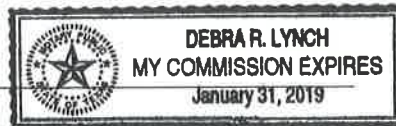
FURTHER AFFIANT SAYETH NOT, this 15th day of February, 2018.


JARED RICE, SR.

SWORN TO AND SUBSCRIBED
before me, this 15th day of February, 2018.


NOTARY PUBLIC

MY COMMISSION EXPIRES: _____



CERTIFICATE OF SERVICE

I hereby certify that on February 15, 2018, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel of record.

I further certify that on February 15, 2018, I served a true and correct copy of the foregoing document via electronic mail on Defendant Stanly Ford at thestormkrow@gmail.com.

/s/ John A. Garland
John A. Garland